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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

11. Israel: Swearing-In of Netanyahu Government

¶2. Mideast

Key stories in the media:

Yediot (Shimon Shiffer) quoted a senior Israeli diplomatic source as saying that the Americans will watch Netanyahu closely.

All media led with yesterdayQs swearing in of IsraelQs 32nd government under PM Benjamin Netanyahu, who promised action on Iran and the economy and vowed to bring Gilad Shalit home. The Jerusalem Post quoted Netanyahu as saying a few hours before the Knesset ceremony that Israel seeks peace with the entire Arab and Muslim world, but that it continues to be threatened by the forces of Islamic extremists. Five of LaborQs 13 Knesset members did not endorse the new government. A HaQaretz poll (see below under: Polls) found that a majority of Israelis are unhappy with the new government. Yediot reported on the cabinetQs first QcrisisQ: LaborQs Benjamin Ben-Eliezer and LikudQs Silvan Shalom (who became Vice PM) and Dan Meridor have been removed from the restricted cabinet. Yediot also noted that no cabinet minister has been named to replace Netanyahu were he to be incapacitated. Major media reported that United Torah Judaism is expected to sign a coalition agreement with Likud after a compromise was reached on the issue of conversion reforms.

Media quoted President Shimon Peres as saying today at the ceremony marking the change of government that the Olmert government had strengthened Israel's international standing, formed close ties with the United States and world leaders, and yielded great strategic achievements in defense.

HaQaretz reported that yesterday the IDF's chief education officer Brig. Gen. Eli Shermeister issued a letter to a number of military units, commenting on T-shirts printed by soldiers, as exposed by HaQaretz two weeks ago. HaQaretz found that dead babies, mothers weeping on their children's grave, a child in the crosshairs of a sniper's rifle and blown-up mosques are just a few of the images with which IDF soldiers decided to mark their graduation from a training course or tour of duty. Shermeister's letter described some of the shirts depicted in the HaQaretz story and included pictures published in the feature. The chief education officer called on commanders to "increase vigilance and rule out any such phenomena, which stem from group culture and might affect it."

The Jerusalem Post reported that new Balad (National Democratic Assembly) MK Haneen Zuabi, the first woman to be elected to the Knesset as a representative of an Arab party, has welcomed IranQs growing influence in Palestinian affairs and praised IranQs quest for a nuclear weapon as a means of offsetting IsraelQs regional military edge. Having Israel as the regionQs sole nuclear power, she said, was Qdangerous to the world.Q Leading media reported that MK Ahmed Tibi (United Arab List-TaQal) met with representatives of Yemen, Syria, and Libya while in Doha this week to attend the 21st Arab summit. The media reported that Tibi criticized IsraelQs policy during the meeting.

The Jerusalem Post cited the settlersQ hope that Netanyahu will boost housing construction in the West Bank.

The media reported that yesterday the IDF foiled an attempt to lay a roadside bomb at the fence between Gaza and Israel, killing two militants. It was the first such incident since the IDF withdrew from Gaza at the end of Operation Cast Lead in January. Also yesterday, three Qassam rockets were fired on Israel from the Strip, the most in a single day since the Israeli offensive. Hamas claimed that it fired 18 mortar shells at Israeli forces near the Kissufim crossing after the two Palestinians were killed. The Jerusalem Post reported that a senior police sapper told the newspaper yesterday that a growing number of Chinese-made rockets are being smuggled into Gaza from Sinai and fired at Israel. The Jerusalem Post reported that yesterday DM Ehud Barak urged silence regarding media reports that the IAF bombed a Gaza-bound weapons convoy in the Sudanese desert earlier this year.

The Jerusalem Post quoted Ahmed Yusef, a senior Hamas official in Gaza as saying yesterday that Switzerland and Norway are spearheading European attempt to engage Hamas. The newspaper also quoted Israeli defense officials as saying that Hamas plans to establish a staff and command school to train its military commanders ahead of a future conflict with Israel.

Leading media quoted Czech FM Karel Schwarzenberg, whose nation currently holds the rotating EU presidency, as saying in an interview with the Czech newspaper Lidove Noviny that the EU is unlikely to hold a summit with Israel in the near future as planned,

due to its dissatisfaction with Israeli construction in East Jerusalem and the continued blockade on Gaza. The Jerusalem Post also reported that yesterday in Prague President Shimon Peres met with Czech PM Mirek Topolanek and warned him that Qit would be a mistake on the EUQs part to give Israel the cold shoulderQ and delay the planned upgrade of EU-Israel relations Qdue to our war on terror.

The Jerusalem Post reported that senior Israeli defense officials have told the daily that fears are mounting in the defense establishment that U.S. pressure on European countries to expand their contribution to the war on Afghanistan could lead these countries to downsize their participation in UNIFIL in southern Lebanon.

HaQaretz reported that, following an internal election within UNRWA, the agency's management has warned it may fire employees who violated the organization's nonpartisan policy by affiliating with political factions in Gaza -- namely Fatah and Hamas.

HaQaretz reported that, for the first time, the government has approved the creation of an Arab college in Ibelin, northern Israel. A branch of the University of Indianapolis is currently operating in the town.

HaQaretz cited the results of a Dialog poll: QAre you happy with the new government?Q No: 54%; yes: 30%; 16% were undecided. While the public is dissatisfied with the suitability of FM Avigdor Lieberman and Finance Minister Yuval Steinitz, 60% approve of DM Ehud Barak.

11. Israel: Swearing-In of Netanyahu Government:

Summary:

The independent, left-leaning Ha'aretz editorialized: QIsrael's 32nd government, which was sworn in last night, is destined to fail.... Israel sent the world a message that it is not headed for peace and change.

The nationalist, Orthodox Makor Rishon-Hatzofe editorialized: QThe new government is an expression of the nationQs feelings because the delusional political policy led by Prime Minister Sharon and Olmert after him is dangerous and disconnected to reality.

Diplomatic correspondent Aluf Benn wrote in Ha'aretz: QIsrael will have to try to reach an understanding with Obama centered on dealing with Iran... The rise of Netanyahu to power increases the chances of war with Iran, but the Qpoint of no returnQ has not yet been crossed.

Diplomatic correspondent Herb Keinon wrote on page one of the conservative, independent Jerusalem Post: QNetanyahu ascends to the premiership with the burden of proving an interest in peace on his shoulders, and not -- ironically -- on the shoulders of the Palestinians.

Senior Fatah member and former Palestinian Authority minister Sofian Abu Zayde addressed Netanyahu in the mass-circulation, pluralist Yediot Aharonot: QWe, who truly want peace on a two-state basis, call upon you to accept the Arab initiative, which is supported by all the Arab states.

Block Quotes:

The independent, left-leaning Ha'aretz editorialized (4/1): QIsrael's 32nd government, which was sworn in last night, is destined to fail. In putting this government together, Prime Minister Benjamin Netanyahu has demonstrated sophisticated political skills and impressive tricks of wheeling and dealing, along with a total lack of vision, courage and practical judgment.... Not a single spark of hope was ignited yesterday. The government that was born in sin, the sin of petty politics, is destined to spend its days in battles for survival, and that alone. This is highly depressing news as Israel faces bold and crucial decisions; it's bad news for the peace process and for economic recovery, and it's bad news for every worried Israeli. Israel sent the world a message last night that it is not headed for peace and change. Netanyahu's second government is in no way better than his first, and all the hopes that he has changed have been proved unfounded in a single stroke. All that remains is to hope that Israel's largest government ever -- half the Knesset members in the ruling party are ministers or deputy ministers -- will also be the government that makes way for its successor with the greatest speed.

II. "A Return to a Sane Policy"

The nationalist, Orthodox Makor Rishon-Hatzofe editorialized (4/1): QThe new government is an expression of the nationQs feelings because the delusional political policy led by Prime Minister Sharon and Olmert after him is dangerous and disconnected from reality. Yesterday, from the Knesset podium, Prime Minister Netanyahu expressed this in a strong and unexpected way. He said, QIt is a mark of disgrace to humanity that several decades after the Holocaust, the world responds weakly to the calls of IranQs leader for IsraelQs destruction, without firm condemnation, without decisive actions, almost as a matter of routine. There shall be no question mark regarding our existence, and we will let no person or country place such a question mark upon our existence,Q he said. This statement is clear, and it is certain that starting today officials in the United States, Europe, Tehran and Moscow will have to take very seriously the possibility that if no significant international action is taken, then Israel will take its fate into its own hands, with all the consequences for the region that this entails. It is agreed that this is the main basis for the Labor PartyQs partnership in the government, which could have been a right-wing government that would not have been narrow at all, with 65 seats. NetanyahuQs wish to establish a broad government with a strong left foot, in the form of the Labor Party, was fulfilled, even if the left foot came out a little on the weak side.

III. "Will He Strike?"

Diplomatic correspondent Aluf Benn wrote in Ha'aretz (4/1): QNetanyahu is counting on Barack Obama, and on their meeting next month, where he will tell Obama that history will judge his presidency over the way he handles the Iranian nuclear program. The question is whether Netanyahu's abilities to be convincing and his sophisticated English will allow him to alter Obama's agenda: preventing Pakistan and its nuclear arms from falling into the hands of the Taliban and Al-Qaida, while trying to buy quiet from Iran. It is doubtful whether even an Israeli proposal to pull back from the Golan Heights and evacuate settlements in the West Bank will lead Obama to bomb Iran, or let Netanyahu order an attack. Israel will have to try to reach an understanding with Obama centered on dealing with Iran. All this suggests that the rise of Netanyahu to power increases the chances of war with Iran, but the Qpoint of no returnQ has not yet been crossed.

IV. "Getting a Fair Hearing"

Diplomatic correspondent Herb Keinon wrote on page one of the conservative, independent Jerusalem Post (4/1): QThe new prime minister's diplomatic task is daunting, and begins immediately. His most immediate challenge will be to persuade the U.S. and Europe that he is not the peace obstacle they imagine. For his own reasons, Netanyahu remains allergic to uttering the phrase Qtwo states for two peoples,Q even though what he has in mind seems to be a Palestinian entity that has all the trappings of a state, except for those accounterments that could threaten Israel: an army, the right to form defense treaties, and full control over airspace, water, and the electromagnetic spectrum. Because of an antipathy many of the Western elites had toward Netanyahu in the past, because

of his coalition partners, because of the way he is portrayed in the Israeli media, Netanyahu ascends to the premiership with the burden of proving an interest in peace on his shoulders, and not -- ironically -- on the shoulders of the Palestinians. Justified or not, that's the reality. Netanyahu's first order of business needs to be to convince the world that he is serious about peace. If he can do that, then it will be easier for him to enlist their help in dealing with all the other huge challenges facing him and the country: from Gaza, to Syria, to Iran.

¶V. QNetanyahu, You Have a Partner

Senior Fatah member and former Palestinian Authority minister Sofian Abu Zayde addressed Netanyahu in the mass-circulation, pluralist Yediot Aharonot (4/1): QI did not participate in electing you or your government. Nonetheless, in the complex and tangled reality of the Israeli-Palestinian conflict, you, as IsraelQs prime minister, affect my everyday life, my future and my fate. To the same degree, the social, political and security developments in Palestinian society affect Israel and could have an effect on your post. Whether you like it or not, we are dependent on each other. the security fence cannot separate us. Therefore, if you are thinking of ignoring the Palestinian political-national issue, you will find yourself in a minefield. You speak of Qeconomic peace, but you know that this is an empty slogan. Development and economic improvement are important to the Palestinian people, but much more important to it are removing the occupation and political independence. For this goal, we are willing to pay a very high price, and even to give up the economic development that you are offering us. I donQt understand how the idea of an Qeconomic peace will contribute to resolving the conflict.... I agree with you on one point, Mr. Netanyahu: The game of negotiations, meetings,

exchanging ideas and more summit meetings, once in Taba, once in Sharm el-Sheikh or in Annapolis, has to stop.... You wonQt find a Palestinian partner who will be willing to continue this game.... We, who truly want peace on a two-state basis, call upon you to accept the Arab initiative, which is supported by all the Arab states.

12. Mideast:

Summary:

Conservative columnist and Jewish affairs writer Nadav Shragai opined in the independent, left-leaning HaQaretz: QIt is doubtful whether U.S. Secretary of State Hillary Clinton, who has called on Israel to refrain from demolishing houses in East Jerusalem, is aware of [the effects of illegal Palestinian construction].

Block Quotes:

"What They DidnQt Tell Hillary"

Conservative columnist and Jewish affairs writer Nadav Shragai opined in the independent, left-leaning HaQaretz (4/1): QResidents of Arab neighborhoods have asked the [Jerusalem] Municipality to intervene to stop illegal [Palestinian] construction on lands that belong to them. It is doubtful whether U.S. Secretary of State Hillary Clinton, who has called on Israel to refrain from demolishing houses in East Jerusalem, is aware of this aspect of the issue. Clinton is fed mainly by human rights organizations and leftist Israeli movements. These send her a constant stream of reports concerning the difficulties that Israel has piled on over the years against orderly construction with permits in East Jerusalem, as well as its actions to demolish illegal buildings. Clinton is apparently also not sufficiently aware that the illegal construction in the eastern part of the city over the years has not been intended only to ease the housing shortage, but rather systematically to close off spaces, block Israeli development plans, and achieve what has not been achieved through terror and/or

diplomacy. Nevertheless, Israel is not innocent of serious mistakes in its attitude toward the population of East Jerusalem in general, and regarding the issue of illegal construction in particular. The separation barrier that now surrounds many parts of Jerusalem is also contributing to the acceleration of illegal construction, as a result of the increased pressure by tens of thousands of Palestinians who are not prepared to relinquish residency in the city and the benefits that derive from this.

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